

Joe Davis, Sr.
Alderman, 2nd Aldermanic District



CHAIR

- Community and Economic Development Committee

MEMBER

- Finance and Personnel Committee
- Steering and Rules Committee
- National League of Cities' Community and Economic Development Policy and Advocacy Steering Committee

February 28, 2007

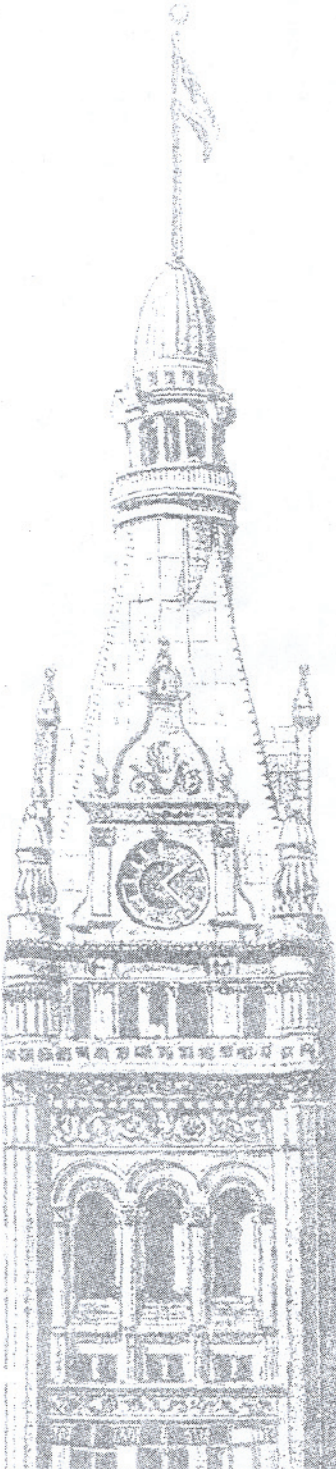
Tom Barrett, Mayor
City of Milwaukee
200 East Wells St., Rm. 200
Milwaukee, WI 53202

Dear Mayor Barrett:

After reviewing your report titled "Milwaukee Workforce Development System and Recommendation for Improvement" initiative for the City of Milwaukee, it has raised concerns that I would like to address. Embarking on such a worthwhile effort on your part requires a personal commitment for systematic change and a genuine need for an aggressive solution. Unfortunately, previous actions from your administration have not been consistent with this undertaking.

During the Pabst City project that was proposed by the Ferchill Group and Wispark, Inc., there were workforce development funding attached to the proposed tax increment finance district agreement, but your position was not strong in creating a model for training for these dollars, which totaled \$2,000,000. When the Department of City Development with your strong support negotiated this specific project, representatives were not enthusiastic about the attachment of training dollars with the proposed TIF.

We now have a current project that has recently gained approval with only 25% of the original proposed training dollars. These funds are under the jurisdiction of the City of Milwaukee, which could create and coordinate a public private partnership between the educational institution, Milwaukee Area Technical College, and corporate entities that would understand the importance of specific training for this project. To not instruct your negotiating team to be consistent in the level of funding for previous workforce development dollars are contradictory to your current public statements and coordinated initiative.



Tom Barrett, Mayor
February 28, 2007
Page Two

Which leads me to my next inquiry. In the report, you referenced that there is no public leadership that has spoken out about the lack of outcome in the workforce development initiatives in Milwaukee and the region. Let me remind you that when the Manpower International Headquarters project was presented to the Common Council, it once again had no workforce development dollars negotiated as part of the proposed TIF. As a matter of fact, certain DCD representatives publicly stated that if workforce development dollars were to be sought, the developer would not proceed. Fortunately, the developer understood the importance of workforce development and agreed to include the funding in the TIF agreement. Since the Manpower International Headquarters TIF approval, developers have come to the negotiating table acknowledging the inclusion of training dollars for workforce development. I agree that a lack of leadership has hampered any major movement forward.

I find it unfortunate that your analysis referenced various reports concerning the issue of workforce development but omitted the report by the Public Policy Forum that was funded by the Helen Bader Foundation titled "Growing up: Analysis of City of Milwaukee Economic Development Efforts". As you know, I scheduled the report before the Community & Economic Development Committee to discuss the PPF's results of the report. At that meeting, the Commissioner of the Department of City Development appeared to comment on the inaccuracy of the workforce development statistics contained in the Public Policy Forum's report. Yet some of the same recommendations appear in your report.

The PPF report stated that Milwaukee is a real estate and community development machine, but despite a continually eroding jobs base in the city, relatively little money is spent to create, retain and expand the city's job opportunities. With only 1% of expenditures going towards workforce development, the lack of clear leadership should lie with the chief executive officer of the municipality. Finding innovative solutions to workforce-related challenges calls for a clear methodology with aggressive outcomes and a long-term financial investment strategy. If this does not occur, the City of Milwaukee will once again be saddled with yet another ineffective social program that creates short-term government positions.

I question the need to create a Mayor's Office of Workforce Development for the purpose of providing leadership in the City of Milwaukee and collaborating regional development efforts. The DCD has the responsibility of growing the City of Milwaukee and is currently coordinating workforce development initiatives with our youth intern and summer jobs program. Initially, DCD staff was reluctant to execute the pilot workforce program but after further heated discussions, it has become the signature effort of summer jobs and training for our future workforce. It would seem logical to consolidate this initiative with the existing program and structure the management to provide better

Tom Barrett, Mayor
February 28, 2007
Page Three

oversight. It would not be unreasonable to demand efficiencies from senior department heads and delegate the overall responsibility to the DCD Commissioner with the workforce development director reporting to the commissioner. To create another office in city government when other departments are facing funding challenges would be a disservice to our loyal public service workers.

Your workforce development report addresses the need to better coordinate private workforce development initiatives, but does nothing to address the City of Milwaukee's residence preference program. This program was designed to target City of Milwaukee unemployed residents that live in targeted zip codes that have extreme high unemployment. Although the city is currently studying the effectiveness of our Emerging Business Enterprise Program and the underutilization of African American, Hispanic, Asian, and women owned businesses, it does not address the RPP.

Since the inception of the RPP, studies will confirm that the City of Milwaukee has experienced gentrification throughout the city limits. Numerous unemployed workers that are not included in the targeted zip codes have called for the expansion of the RPP. In particular, I have an unemployed elevator mechanic, union trained, who lives in the district I represent who has been calling for the review of the program consistently. To not take the opportunity to look internally at the program that we, the City of Milwaukee, have direct control of its' effectiveness, is like blaming the teacher for not turning in your homework. We agree that it would be your responsibility.

Finally, if your initiative is looking to better coordinate current workforce development funding, address the real issue of our workforce not being able to pass a drug test to be eligible for employment. This single issue points to our responsibility as a city to create a better working environment by taking care of unsafe neighborhoods. All options should be explored.

Sincerely,



Joe Davis, Sr., Chairman
Community & Economic Development Committee
Alderman, 2nd District
City of Milwaukee

CC: All Council Members